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28. The Foreign Minister's Talk on the Fifth Anniversary of the Outbreak of the China Incident (July 7th).

Since today is the first anniversary of the China Incident since the beginning of the Greater East Asia War and marks the fifth year since the outbreak of the CHINA Incident, together with reviewing the course which governed by the Incident the Empire has pursued, I would like to express my views on the attitude for dealing with the CHINA Incident.

The traditional foreign policy of the Empire is to establish peace in East Asia with the Empire as a stablizing force, thereby contributing to world peace. In accordance with this policy, the Empire desires first of all, through Sino-Japanese cooperation. to realize prosperity in East Asia, and has made every effort to attain this objective. After the Manchurian Incident, however, relations between the two countries suddenly deteriorated. Goaded by the anti-Japanese propaganda of the Chinese, untoward incidents broke out repeatedly, and it seemed that the establishment of friendly relations between JAPAN and CHINA would not be easy.

The LUKOUCHIAO Incident broke out under such circumstances. In spite of the Empire's policy of non-expansion of, and local settlement of, the Incident, CHINA sent the Central Army to the north and assumed a defiant attitude. Therefore, we adopted an attitude to cope with this and aggravation of the situation became unavoidable. Furthermore, at the beginning of August CHINA had her regular Army invade SHANGHAI and, ignoring advice from countries concerned, made an attack at last on the Empire. Therefore, the situation assumed serious proportions, a general clash between JAPAN and CHINA became unavoidable, and the Empire was forced to take decisive measures. However, what the Empire desired was, together with expecting CHINA's reconsideration, nothing but the realization of peace and cooperation between JAPAN, MANCHUKUO and CHINA. This spirit, as announced by the Imperial Government at that time, has continued until now to be the basic policy for dealing with the CHINA Incident.

Notwithstanding the brilliant war success of the Imperial Army, the CHIANG KAI-SHEK Regime vainly continued hostilities without understanding the Empire's true intention. Therefore, in January 1938 The Imperial Government announced that thereafter it would not oppose the said regime; that it would anticipate the establishment and development of a new China regime worthy of really cooperating with the Empire; and that by adjusting with this /new regime/ diplomatic relations between JAPAN and CHINA, it would cooperate in the establishment of a new CHINA.

Subsequently, the Imperial Government, after extensively examining the international situation, laid down the policy that the ultimate objective of the CHINA Incident is to establish a new order which will secure permanent stability in East ASIA and that what the Empire asks of CHINA is simply the establishment of a new unified Government which will cooperate in this. The substance of this has been announced to the world in the government's statement of 3 November 1938. Based upon this unshakable policy, the so-called KONOYE's Three Principles, which were proclaimed on December 22nd of the same year stated frankly the conditions of adjustment of relations with the new CHINA. The common object of the above Principles is as is well known, the unity of JAPAN, MANCHUKUO and CHINA for the establishment of a new order in East ASIA based on good neighborliness, joint defence against communism, and economic cooperation.

Mr. WANG CHING-WEI, present Chief Executive of the National Government, was the very man who understood this real intention of the Empire, and who at great risk fled from CHUNGKING, convinced that there could be no other way to save the Chinese nation than by friendship between Japan and China. After his flight from CHUNGKING, he devoted himself self-sacrificingly to the cause of peace between Japan and China, and established a new central government in NANKING on 30 March 1940. The Empire had negotiated with the National Government for conclusion of a treaty pertaining to the basic relations between Japan and China and this was signed on November 30th. Furthermore, on the same day, the joint tripartite declaration of Japan, Manchukuo, and China was issued; consequently, the National Government was recognized as CHINA's lawful government by both Japan and Manchukuo, and at the same time the problem of recognition of Manchukuo was also settled.

Thereupon, the disposition of the CHINA Incident entered a new phase wherein both the Japanese and Chinese Governments proceeded resolute in co-operation with each other, to establishment of the new order in East ASIA, and at the same time contrived by military, economic, and all other ways to destroy completely the CHIANG regime remaining in CHUNGKING. Afterwards, when Chief Executive WANG visited Japan in June of 1941, not only was co-operation in establishment of the new order in East Asia confirmed more clearly, but it was decided to offer a loan of three-hundred million Yen to the National Government. Furthermore, shortly after the return of the Chief Executive to his country, recognition of the National Government was made in early July by Germany, Italy, and all in all about 10 countries, so that the international position of that Government has become still more firmly established. However, those who didn't desire Sino-Japanese co-operation between Japan and China and interfered in the successful accomplishment of the Incident were the United States and Britain. Taking a general view of relations with third countries throughout the Incident, as regards the attitude which

occurred inevitably along with military operations, of protecting the interests of third countries, the Empire has never infringed upon those interests, so far as they were legal ones. Not only did she take relief measures for all damage caused inevitably by military operations, but there were many instances where depending on circumstances she went so far as to endure disadvantages in military operations, in order to preserve the interests of third countries.

Nevertheless, the United States, Britain, and other countries, that for a century have had their own way in their aspirations to invade East Asia, insisted that they could not recognize Japan's rights as a belligerent, since there was no declaration of war between Japan and China, and that they could not agree even to those measures based on Japanese military necessity, for they had extraterritorial rights in China. Thus, they not only adopted the attitude of neglecting the solemn fact that Japan was carrying on large-scale military operations under their very eyes, but also supported and incited the CHIANG regime to make desperate efforts at continuing resistance against Japan; there was nothing they did not do to obstruct the settlement of the Incident. In the mean time, the Empire was trying to solve the various kinds of liaison problems and endeavoring to enlighten them with an extremely fair attitude. At last, however, the United States recklessly abrogated the Japanese-American Treaty of Commerce and Navigation in 1939, and openly made plain her attitude of economic pressure against Japan. Moreover, as soon as the Imperial Army penetrated part of southern French Indo-China last July in accordance with the agreement with the French Government, she, followed by Britain, carried out the Freezing of Japanese assets; thus she launched upon economic war in fact as well as in name.

The Imperial Government strongly requested that England and America reconsider their abovementioned misconduct, and at the same time has carried on negotiations since the beginning of last year through Ambassador NOMURA in order to remedy AMERICA's lack of understanding. In November Ambassador KURUSU was specially dispatched. However, inspite of exhausting all our efforts, both countries adhered to their erroneous views, made light of the Empire's merits, and on November 26th the American Government even dispatched a reply which seemed as if it intended to restore the situation in EAST ASIA to that of before the MANCHURIAN INCIDENT, thereby obliging the Empire at last to take up arms against the two countries, as already made public right after the commencement of hostilities.

In this way, the enemy, who had concealed himself behind CHINA during the CHINA INCIDENT, finally made his appearance, and the Empire declared war against ENGLAND and AMERICA. When one considers the circumstances which led to the GREATER EAST ASIA WAR from the CHINA INCIDENT, it can be clearly realized that the significance of the GREATER EAST ASIA WAR lies in the establishment

of a new order based upon the great cause of HAKKO ICHIU by driving out of all EAST ASIA the influence of ENGLAND, AMERICA and of those dependent upon them, which has been strongly entrenched in EAST ASIA for many years.

In CHINA since the commencement of hostilities, Chief Executive WANG and his followers, with good understanding of the Empire's true intention, are manifesting an attitude of the utmost cooperation in the accomplishment of the war for liberation of EAST ASIA. As regards the present condition of the CHUNGKING regime on the other hand, no matter how much it talks of resistance, the cutting of the /supply/ route to CHIANG has had a serious effect on its supply of goods: it finds itself in financial difficulties resulting in overissue and slump of the Chinese currency, and the Anglo-American loan only encourages inflation of currency now when there is no means for the transportation of goods. Consequently, financial anxiety in CHUNGKING circles is great. Besides, the relations between the Kuomintang and the communists seem to be externally glossed over for a time, under the common aim of resistance to JAPAN, but the inside conflict is steadily intensified so that it must be said that CHUNGKING is now wandering about in a difficult situation with no possible hope of finding a solution.

Notwithstanding the above situation, some of the CHUNGKING regime, still intentionally closing their eyes to the actual situation of the world and relying upon the unreliable, are pursuing the illusion of resistance to JAPAN as before. The Empire is firmly determined to exhaust every means to make those give in ------ those who not only do not understand the significance of the establishment of the GREATER EAST ASIA CO-PROSPERITY SPHERE, but also try to obstruct its realization, and do not care, moreover, about the sufferings of many people in order to maintain their own power. But at the same time, to the National Government, which is sharing the Empire's joys and sorrows in cooperation for the successful completion of the GREATER EAST ASIA WAR, the Empire intends to give full assistance. For this purpose, it is necessary to strengthen the foundation upon which the National Government stands and bring about a condition such as will make of one accord the minds of the hundred million people of the Empire and of the two hundred million Chinese people in the occupied territory. Emphasis should be laid on this point also in the Empire's measures for disposition of the CHINA INCIDENT. I firmly believe that we should count upon not only the settlement of the CHINA INCIDENT but also the establishment of the GREATER EAST ASIA CO-PROSPERITY SPHERE, by bringing about the surrender of the CHUNGKING REGIME and strengthening the National Government.